CFB 6/7/68 Policy file

Mutual OF OMAHA
MUTUAL OF OMAHA INSURANCE COMPANY
your good neighbor

V. J. SKUTT
CHAIRMAN OF THE BOARD
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PRESIDENT

HOME OFFICE OMAHA, NEBRASKA

WASHINGTON, D.C., REGIONAL GROUP OFFICE
SUITE 1208, 1750 PENNSYLVANIA AVE., N.W.
WASHINGTON, D.C. 20006
298-8084

NORMAN C. CONWAY
MANAGER

April 5, 1968

[redacted] President
Government Employees Health Association
Post Office Box 463
Washington, D.C. 20044

STAT

Group Policy GMG 1799

Dear [redacted]

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In compliance with your request, the Home Office has completed an intensive review of your health benefits program with the thought in mind of suggesting proposed benefit changes for the contract period beginning January 1, 1969.

Upper most in our minds, while conducting this review, was your admonition to design one of the best Government programs and still maintain an attractive and competitive premium. We, therefore, felt that a complete claim analysis for the last two contract years was a necessity before recommending any benefit changes. Copies of these analyses for the contract years 1-1-66 to 1-1-67 and 1-1-67 to 1-1-68 are attached for your review.

The two analyses are valuable for comparison purposes, for example; in the 66-67 contract year the program paid approximately 97% of the total medical care cost of the member while in the 67-68 contract year the percentage dropped to approximately 96%. This percentage drop is directly attributable to the constantly increasing cost of hospital-medical care. Even with your increased benefits for the current contract year, a considerable percentage drop may be expected for the 68-69 contract year. This increase in medical care cost is easily discernible by comparing the available cost per hospital day in 66-67 of $47.39 to the $54.29 figure for the 67-68 year or an increase of approximately 20%.

Based upon our claims analysis, we suggest that the first item to be considered should be the hospital room and board benefit. Your contract currently pays up to $40 per day for 90 days for hospital

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room and board with unlimited miscellaneous. The 90 days would seem to be more than adequate since the average length of hospital stay has dropped from 6.77 days in 66-67 to 6.21 days in 67-68. Since hospital room and board charges are increasing at a rate of about 10% per year, you may wish to consider increasing the room and board benefit for the 1969 contract year from $40 per day to $50 per day or an increase of approximately 20%. The monthly brochure rate to add this benefit to your contract would be $1.06 for a single member and $2.76 for a member and family. An alternative would be to increase this benefit from $40 to $45 per day at a monthly brochure rate of $.58 for a single member and $1.51 for a member and family.

The basic surgical schedule now used by your program is the 1957 California Relative Value Schedule with a point value of 5. This schedule has been updated for specific procedures on a number of occasions, so that it is no longer a true 1957 California Relative Value Schedule. There is a newer California Relative Value Schedule, specifically, the 1964 California Relative Value Schedule which provides greater benefits in many surgical areas and superior anesthesia benefits. Using the same 5 point unit value this schedule could be substituted for your present 1957 schedule at a monthly brochure rate of $.28 for a single member and $.86 for a member and family.

In regard to surgery, however, it occurs to me that the most satisfactory approach would be the one employed by your Association in past years. Your claim people have, in the past and I assume they still do, kept records of specific surgical procedures that have caused the most problems with the members and requested a rate for increasing those specified procedures. Not only would this be a more economical approach, but it would develop a schedule tailor made to the specific needs of your members. If such a list of procedures has been maintained this past year, we would be pleased to review it and give you a quotation for increasing these specific areas.

Maternity has traditionally been an area of controversy in most group contracts. In many cases the benefit allowed pays less of the total claim than for any other medical procedure yet it is the one area that can be planned for in advance. In 67-68 maternity and related procedures amounted to 7.1% of all of your claims.

[redacted] STAT

Your contract currently provides a benefit of $30 a day for 8 days of hospital confinement. To increase this benefit to $35 per day for 8 days would require a monthly brochure rate for member and family of $.21. To go to $40 for 8 days would require a monthly brochure rate for member and family of $.43. To make a corresponding increase in the obstetrical benefit from its current level of $100-$150-$50 to $200-$400-$100 would require a monthly brochure rate for member and family of $.85.

The one area not covered in our claims study is in-hospital medical, since this benefit is now provided under the major medical portion of the contract only. This coverage is as might be expected expensive, because of the high utilization. The cautious approach would be to add a $5 in-hospital medical benefit at a monthly brochure rate of $.35 for the single member and $.83 for the member and family. Alternatives would be a benefit of $18 for the first day, $12 for the second day and $6 for the balance at a monthly brochure rate of $.53 for a single member and $1.27 for a member and family or a benefit of $12 for the first day, $8 for the second day and $5 for the balance at a monthly brochure rate of $.43 for a single member and $1.02 for a member and family.

[redacted] I believe you will agree that we have taken a conservative approach to the changes for two reasons, first your wish to maintain a competitive premium and secondly because the statistical studies show you now have a fine contract. STAT

If there are any areas we did not cover which you feel should have been covered, please do not hesitate to contact me.

Sincerely,

NC Conway

Norman C. Conway
Regional Manager

NCC:sak
Enc.

GMG 1799

1-1-66 TO 1-1-67

STATISTICAL ANALYSIS BY CLAIMANT CODE
CLAIM DOLLARS DISTRIBUTION

	1	2	3	4	5	TOTAL
Hospital Room-Board	$ 122,818	$ 71,443	$ 8,920	$ 162,075	$ 102,984	$ 468,240
Hospital Miscellaneous	142,065	71,712	11,086	165,386	127,880	518,129
Hospital Outpatient	13,080	1,231	4,111	10,809	3,196	32,427
Surgical	74,635	49,503	3,823	99,922	110,905	338,788
Maternity	--	14,226	--	177,233	--	191,459
X-Ray-Lab	20,977	11,642	934	21,713	12,367	67,633
Outside Anesthetist	4,390	2,837	205	7,479	7,725	22,636
Miscellaneous Charges	29,188	14,424	2,078	29,156	46,359	121,205
Base Plan	$ 407,153	$ 237,018	$ 31,157	$ 673,773	$ 411,416	$1,760,517
Major Medical	128,994	89,611	10,189	171,139	113,623	513,556
Total	536,147	326,629	41,346	844,912	525,039	2,274,073
Total Paid	$ 516,490	$ 319,630	$ 39,877	$ 818,737	$ 517,954	$2,212,688*
Percent Paid	96.3%	97.9%	96.4%	96.9%	98.6%	97.3%
Difference **	$ 19,657	$ 6,999	$ 1,469	$ 26,175	$ 7,085	$ 61,385

* Total includes .....High Option Paid $2,196,835 and
Low Option Paid $ 15,853

** Dollar amount difference due to coordination of benefits, uncashed drafts, and/or adjustments on claims previously paid.

GMG 1799

1-1-66 TO 1-1-67

STATISTICAL ANALYSIS BY CLAIMANT CODE
HOSPITAL COSTS AND UTILIZATION

	1	2	3	4	5	TOTAL
Hospital Room-Board	$ 122,818	$ 71,443	$ 8,920	$ 162,075	$ 102,984	$ 468,240
Hospital Miscellaneous	142,065	71,712	11,086	165,386	127,880	518,129
Hospital Admissions	586	352	38	947	1,153	3,076
Hospital Days	5,284	3,103	366	6,949	5,111	20,813
Average R-B/Day	$ 23.24	$ 23.02	$ 24.37	$ 23.32	$ 20.15	$ 22.50
Average Misc./Day	$ 26.89	$ 23.11	$ 30.29	$ 23.80	$ 25.02	$ 24.89
Average Cost/Day	$ 50.13	$ 46.13	$ 54.66	$ 47.12	$ 45.17	$ 47.39
Average Length of Stay	9.02 days	8.82 days	9.63 days	7.34 days	4.43 days	6.77 days
Average Cost/Admission	$ 452.17	$ 406.87	$ 526.38	$ 345.86	$ 200.10	$ 320.83
Base Plan Paid	$ 407,153	$ 237,018	$ 31,157	$ 673,773	$ 411,416	$ 1,760,517
Base Plan Claims	2,721	1,580	161	4,139	4,994	13,595
Avg. Cost/Claims	$ 149.63	$ 150.01	$ 193.52	$ 162.79	$ 82.38	$ 129.50

GMG 1799

1-1-66 TO 1-1-67

STATISTICAL ANALYSIS OF

CLAIM DOLLARS & HOSPITAL UTILIZATION

BY CAUSE OF DISABILITY

DISABILITY	DIS. CODE	ADMITS	% OF TOTAL	HOSP. DAYS	% OF TOTAL	TOTAL PAID	% OF TOTAL
NON-SURGICAL NON-MATERNITY							
Tuberculosis	1	--	-- %	--	-- %	$ 408.70	-- %
Neoplasms, malignant	2	40	.9	585	1.8	39,998.31	1.8
Neoplasms, benign	3	86	1.9	306	.9	22,261.16	1.0
Endocrine & Metabolic	4	73	1.6	623	1.9	44,146.17	2.0
Mental	5	203	4.5	6,449	19.6	221,047.35	10.0
Nervous & Sense	6	41	.9	214	.7	16,999.65	.8
Heart Disease	7	107	2.4	1,593	4.9	91,158.58	4.1
Circulatory	8	91	2.0	870	2.7	64,542.85	2.9
Pneumonia, Bronchitis,etc.	9	141	3.1	875	2.7	54,517.29	2.5
Respiratory	10	44	1.0	238	.7	34,392.84	1.6
Stomach, Duodenum	11	105	2.3	655	2.0	47,838.23	2.2
Gallbladder	12	24	.5	213	.7	16,867.61	.8
Digestive	13	40	.9	368	1.1	28,583.79	1.3
Genitourinary - male	14	161	3.6	739	2.3	60,577.10	2.7
Reproductive - female	15	79	1.8	390	1.2	31,816.08	1.4
Disease of bones	16	95	2.1	1,036	3.2	68,906.33	3.1
Injuries	17	181	4.0	997	3.1	86,914.13	3.9
All other NON-SURGICAL	18	612	13.5	3,490	10.7	215,286.01	9.7
SUB-TOTAL		2,123	47.0%	19,641	60.2%	$1,146,262.18	51.8%
SURGICAL NON-MATERNITY							
T & A	31	295	6.5%	442	1.4%	$ 58,559.17	2.7%
Thoracic	32	7	.2	40	.1	7,288.92	.3
Mastectomy	33	4	.1	42	.1	2,957.40	.1
Hernia	34	95	2.1	618	1.9	41,282.57	1.9
Appendectomy	35	61	1.4	379	1.2	30,083.47	1.4
Other Abdominal	36	15	.3	238	.7	24,319.34	1.1
Hemorrhoidectomy	37	34	.7	266	.8	17,449.19	.8
Cholecystectomy	38	26	.6	241	.7	24,411.72	1.1
Prostatectomy	39	2	--	30	.1	2,936.21	.1
Cystoscopy	40	64	1.4	299	.9	30,755.28	1.4
D & C non-maternity	41	129	2.9	353	1.1	37,730.90	1.7
Hysterectomy	42	75	1.7	740	2.3	62,082.77	2.8
Fractures, Dislocations	43	78	1.7	867	2.7	68,853.89	3.1
Neoplasm, excision	44	113	2.5	359	1.1	62,546.87	2.8
All other SURGERY	45	450	10.0	3,859	11.9	399,999.52	18.1
SUB-TOTAL		1,448	32.1%	8,773	27.0%	$ 871,256.22	39.4%

STATISTICAL ANALYSIS OF

CLAIM DOLLARS & HOSPITAL UTILIZATION

BY CAUSE OF DISABILITY (Cont'd)

DISABILITY	DIS. CODE	ADMITS	% OF TOTAL	HOSP. DAYS	% OF TOTAL	TOTAL PAID	% OF TOTAL
MATERNITY							
Normal Delivery	61	806	17.9%	3,434	10.6%	$ 153,930.96	7.0%
Cesarian	62	46	1.0	405	1.2	23,640.98	1.1
Ectopic Pregnancy	63	3	.1	17	.1	1,368.00	--
Miscarriage	64	44	1.0	115	.4	8,013.61	.4
Other Complications	65	6	.1	30	.1	1,334.26	--
Other (false labor)	66	30	.7	80	.2	4,178.04	.2
SUB-TOTAL		935	20.8%	4,081	12.6%	$ 192,465.85	8.7%
TOTAL		4,506	99.9%	32,495	99.8%	$2,209,984.25	99.9%
MIS-CODED		8	.1%	58	.2%	$ 2,704.87	.1%
GRAND TOTAL		4,514	100.0%	32,543	100.0%	$2,212,689.12	100.0%

GMG 1799

1-1-67 TO 1-1-68

STATISTICAL ANALYSIS BY CLAIMANT CODE
CLAIM DOLLARS DISTRIBUTION

	1	2	3	4	5	TOTAL
Hospital Room-Board	$ 142,771	$ 94,843	$ 14,622	$ 159,917	$ 92,087	$ 504,240
Hospital Miscellaneous	152,438	75,553	14,109	162,101	115,044	519,245
Hospital Outpatient	8,971	3,667	3,748	12,518	7,683	36,587
Surgical	77,296	41,460	6,624	103,726	110,707	339,813
Maternity	--	8,373	--	151,680	--	160,053
X-Ray-Lab	34,933	21,829	2,096	38,978	21,828	119,664
Outside Anesthetist	3,964	2,782	320	7,516	7,062	21,644
Miscellaneous Charges	31,153	23,202	1,958	29,172	47,397	132,882
Medicare	923	2,320	112	40	--	3,395
Base Plan	$ 452,449	$ 274,029	$ 43,589	$ 665,648	$ 401,808	$1,837,523
Major Medical	140,072	106,821	13,340	172,307	134,504	567,044
Total	592,521	380,850	56,929	837,955	536,312	2,404,567
Total Paid	$ 568,680	$ 348,451	$ 47,586	$ 814,284	$ 526,567	$2,305,568*
Percent Paid	96.0%	92.0%	83.6%	97.2%	98.2%	95.9%
Difference **	$ 23,841	$ 32,399	$ 9,343	$ 23,671	$ 9,745	$ 98,999

* Total includes .....High Option Paid $2,303,580 and
Low Option Paid $ 1,988

** Dollar amount difference due to coordination of benefits, uncashed drafts, and/or adjustments on claims previously paid.

GMG 1799

1-1-67 TO 1-1-68

STATISTICAL ANALYSIS BY CLAIMANT CODE
HOSPITAL COSTS AND UTILIZATION

	1	2	3	4	5	TOTAL
Hospital Room-Board	$ 142,771	$ 94,843	$ 14,622	$ 159,917	$ 92,087	$ 504,240
Hospital Miscellaneous	152,438	75,553	14,109	162,101	115,044	519,245
Hospital Admissions	612	351	52	952	1,068	3,035
Hospital Days	5,172	3,407	560	6,020	3,694	18,853
Average R-B/Day	$ 27.60	$ 27.84	$ 26.11	$ 26.56	$ 24.93	$ 26.75
Average Misc./Day	$ 29.47	$ 21.18	$ 25.19	$ 26.93	$ 31.14	$ 27.54
Average Cost/Day	$ 57.07	$ 49.02	$ 51.30	$ 53.49	$ 56.07	$ 54.29
Average Length of Stay	8.45 days	9.71 days	10.77 days	6.32 days	3.46 days	6.21 days
Average Cost/Admission	$ 482.24	$ 475.98	$ 552.50	$ 338.06	$ 194.00	$ 337.14
Base Plan Paid	$ 452,449	$ 274,029	$ 43,589	$ 665,648	$ 401,808	$1,837,523
Base Plan Claims	3,015	1,680	171	4,302	5,260	14,428
Avg. Cost/Claims	$ 150.07	$ 163.11	$ 254.91	$ 154.73	$ 93.40	$ 127.36

GOVERNMENT-WIDE
SERVICE BENEFIT PLAN

As revised January 1, 1967

Administered by
Blue Cross® and Blue Shield®

UNDER THE
FEDERAL EMPLOYEES
HEALTH BENEFITS ACT
OF 1959

BASIC SURGICAL-MEDICAL BENEFITS FOLDER

For the Washington, D. C. Metropolitan Area

The Washington, D. C. metropolitan area is a "Service Area" for both the *High Option* and *Low Option*. This means that Blue Shield Participating Physicians will accept the Plan's allowance as *full payment* for laboratory and x-ray services regardless of income and will accept the Plan's allowance as full payment for covered surgical and medical services *if* your annual income or that of your family, for the 12-month period preceding the date service is rendered, is below a specified amount. More than 3,100 Washington, D. C. area physicians (86% of all doctors in the area) are Blue Shield Participating Physicians.

The annual income limits in the Washington, D. C. area are:

	High Option	Low Option
If you have a family (family income)	$7,500	$4,000
If you are single and have no dependents	$5,000	$2,500

If your annual income is over the limit stated above, or if you or your family are eligible for medical, surgical, or obstetrical coverage other than the coverage provided by this Plan, or if you use a non-participating physician, the Plan makes the same allowance; however, the physician need not accept this allowance as full payment. Instead, he may make his usual charge for the service and you will pay the difference, if any, between the Plan's allowance and the physician's charge.

Any amount you pay to the physician for covered services counts toward the "Deductible" for the "Supplemental Benefits" described on pages 9 through 11 in the "Government-wide Service Benefit Plan" brochure available from your employing office. After the "Deductible" has been met, the "Supplemental Benefits" will apply to any charges for covered physicians' services not paid for by Basic Benefits.

The conditions under which the allowances listed in this folder are payable are set forth in the Government-wide Service Benefit Plan brochure (BRI 41-25 Rev. Jan. 1967).

FEE SCHEDULE ALLOWANCES

SURGICAL BENEFITS	High Option	Low Option
Skin and Subcutanous Tissue		
Excision of pilonidal cyst or sinus	$138.00	$ 93.00
Emergency first aid	6.00	4.00
Breast		
Excision of cyst, fibroadenoma, or other benign tumor, aberrant breast tissue, duct lesion, or nipple (including any other partial mastectomy), unilateral	77.00	52.00
Complete (simple) mastectomy, female, unilateral	148.00	100.00
bilateral	214.00	145.00
Radical mastectomy, including breast, pectoral muscles, and axillary lymph nodes, unilateral	332.00	224.00
Bones		
Spinal fusion	388.00	262.00
Fractures, reduction of		
Nasal, simple, closed reduction	36.00	24.00
Vertebral body, recent injury and excluding osteoporosis, one, without open reduction	173.00	117.00
Clavicle, simple, closed reduction	61.00	41.00
Humerus, surgical neck, simple, not requiring manipulation	87.00	59.00
surgical neck, simple, requiring manipulation	133.00	90.00
surgical neck, simple or compound, open reduction	224.00	152.00
shaft, simple, closed reduction, without displacement	92.00	62.00
shaft, simple, closed reduction, with displacement	128.00	86.00
shaft, simple or compound, open reduction	224.00	152.00
Radius, head, simple, closed reduction	$ 77.00	$ 52.00
head, simple or compound, open reduction	168.00	114.00
shaft, simple, closed reduction, with displacement	92.00	62.00
distal end, Colles' (including ulnar styloid), simple, closed reduction, with manipulation	82.00	55.00
Radius and ulna, compound	209.00	141.00
simple or compound, open reduction	216.00	145.70
Metacarpal, one, simple, closed reduction, with manipulation	51.00	35.00
one, simple or compound, open reduction	97.00	66.00
Phalanx or phalanges, one finger or thumb, simple, closed reduction with manipulation	36.00	24.00
Femur, shaft, including supracondylar, simple or compound, open reduction	337.00	228.00
Tibia, shaft, simple, closed reduction, with displacement	122.00	83.00
shaft, compound	179.00	121.00
malleolus, simple, closed reduction, with manipulation	92.00	62.00
malleolus, compound	158.00	107.00
malleolus, simple or compound, open reduction	184.00	124.00
Tibia and fibula, shafts, simple, closed reduction	138.00	93.00
Ankle, trimalleolar, simple, closed reduction, with manipulation	143.00	97.00
Metatarsal, one, simple, closed reduction, with manipulation	51.00	35.00
one, simple or compound, open reduction	102.00	69.00
Joints		
Arthrocentesis: puncture for aspiration of joint, initial	15.00	10.00
Excision of intervertebral disk with spinal fusion	444.00	300.00

	High Option	Low Option
Meniscectomy: excision of semilunar cartilage of knee joint	$209.00	$141.00
Arthroplasty: plastic or reconstruction operation on joint, with mechanical device, with or without bone or fascial graft		
hip	434.00	293.00
knee	372.00	252.00
Metatarso-phalangeal joint; bunion operation, radical, unilateral	138.00	93.00
radical, bilateral	204.00	138.00
Dislocations		
Shoulder (humerus), simple, closed reduction	61.00	41.00
Elbow, simple, closed reduction	61.00	41.00
Knee, tibia, simple, closed reduction	87.00	59.00
Muscles and Tendons		
Excision of lesion of tendon or sheath, including ganglion or xanthoma digits	51.00	35.00
Transplantation of tendon, including advancement or recession, one tendon	168.00	114.00
Nose, Throat, Lungs		
Septectomy: submucous resection	148.00	100.00
Antrum puncture, unilateral	15.00	10.00
Ethmoidectomy, intranasal, bilateral	143.00	97.00
Tracheotomy (I.P.)	112.00	76.00
Heart and Blood Vessels		
Blood transfusion, replacement type, RH factor	133.00	90.00
Ligation of long saphenous vein at saphenofemoral junction with or without retrograde injection, or		
distal interruptions, unilateral	92.00	62.00
bilateral	138.00	93.00

	High Option	Low Option
Mouth, Stomach, Intestines		
Palatoplasty, plastic operation for complete cleft palate, including alveolar ridge	$270.00	$183.00
Tonsillectomy, with or without adenoidectomy (under age of 12)	71.00	48.00
with or without adenoidectomy, age 12 or over	82.00	55.00
Adenoidectomy (I.P.)	46.00	31.00
Subtotal gastrectomy	434.00	293.00
Enterectomy: resection of small intestine with anastomosis	296.00	200.00
resection of small intestine with enterostomy	296.00	200.00
Enterostomy: external fistulization of intestine: large (colostomy)	209.00	141.00
Enterolysis: freeing of intestinal adhesions (I.P.)	194.00	131.00
Suture of intestine (enterorrhaphy), large or small, for perforated ulcer, wound, injury, or rupture	224.00	152.00
Appendectomy (I.P.)	184.00	124.00
Complete proctectomy, combined abdominoperineal, one or two stages	459.00	311.00
Proctoscopy with removal of papillomas or polyps, initial	41.00	28.00
Fistulotomy (I.P.)	77.00	52.00
Fistulectomy (I.P.)	117.00	79.00
Hemorrhoidectomy, internal or internal plus external	128.00	86.00
external only	31.00	21.00
Gallbladder		
Choledochotomy or choledochostomy with exploration, drainage, or removal of calculus, with or without cholecystotomy	306.00	207.00
Cholecystectomy	275.00	186.00
with exploration of common duct	321.00	217.00

	High Option	Low Option
Abdomen		
Exploratory laparotomy: exploratory celiotomy	$184.00	$124.00
Herniоplasty: herniorrhaphy: herniotomy		
inguinal, unilateral	184.00	124.00
inguinal, bilateral	240.00	162.00
ventral, incisional (I.P.)	204.00	138.00
umbilical (I.P.)	179.00	121.00
Kidney and Bladder		
Nephrolithotomy with removal of calculus	306.00	207.00
Pyelolithotomy	306.00	207.00
Nephrectomy, with or without partial ureterectomy	321.00	217.00
Ureterolithotomy, abdominal or retroperitoneal approach	275.00	186.00
Cystoscopy, with ureteral catheterization, initial	51.00	35.00
ureteral dilation, with stone removal, initial	107.00	72.00
Male Genital System		
Circumcision, age 10 or over	41.00	28.00
Excision of hydrocele, unilateral	107.00	72.00
Prostatectomy, perineal, subtotal	326.00	221.00
Prostatectomy, suprapubic, one or two stages	326.00	221.00
Transurethral electroresection of prostate, including control of post-operative bleeding, complete	316.00	214.00
Female Genital System		
Excision or cautery destruction of Bartholin's gland or cyst, unilateral	71.00	48.00
Colpoperineoplasty anterior and posterior vaginal walls; repair of cystocele, rectocele, and perineoplasty	214.00	145.00
Salpingectomy, complete or partial, unilateral or bilateral (I.P.)	189.00	128.00
Salpingo-oophorectomy, complete or partial, unilateral or bilateral (I.P.)	$204.00	$138.00
Excision of ovarian cyst, unilateral or bilateral (I.P.)	184.00	124.00
Complete oophorectomy, unilateral or bilateral (I.P.)	189.00	128.00
Hysterectomy (with or without dilation and curettage and surgery on tubes, ovaries, ligaments, etc.)		
Hysteromyomectomy: myomectomy; excision of fibroid tumor of uterus	199.00	135.00
Panhysterectomy: total hysterectomy (corpus and cervix)	306.00	207.00
Radical hysterectomy for cancer (Wertheim)	408.00	276.00
Vaginal hysterectomy, with or without pelvic floor repair	306.00	207.00
Local excision of lesion of cervix (conization)	20.00	14.00
Dilation and curettage of uterus (I.P.) for removal of uterine polyps	61.00	41.00
Hysteropexy (with or without dilation and curettage and surgery on tubes, ovaries, ligaments, etc.) with ventrosuspension: ventrofixation	189.00	128.00
with shortening of endopelvic fascia: parametrial fixation (Manchester) with or without pelvic floor repair	219.00	148.00
Maternity		
Classic cesarean section	230.00	155.00
Low cervical (lower uterine segment) cesarean section	240.00	162.00
Cesarean section and hysterectomy (Porro)	296.00	200.00
Removal of extrauterine embryo (ectopic pregnancy), by laparotomy	209.00	141.00
Obstetric procedures:		
obstetrical delivery	112.00	76.00
miscarriage or abortion, including dilation and curettage	77.00	52.00

	High Option	Low Option
Thyroid		
Thyroidectomy, total or complete	$296.00	$200.00
Thyroidectomy, subtotal or partial	270.00	182.00
Hemithyroidectomy: lobectomy	224.00	152.00
Brain and Spinal Cord		
Excision of brain cyst, neoplasm, or abscess	495.00	335.00
Eye		
Removal of foreign body embedded in cornea	15.00	10.00
Extraction of lens, intracapsular or extracapsular with preliminary iridectomy, unilateral	311.00	210.00
Reattachment of retina, diathermy, or electrocoagulation, initial	367.00	248.00
Blepharectomy; meibomian glands (chalazion), single	26.00	17.00
Ear		
Stapes mobilization	245.00	166.00
Mastoidectomy, simple, unilateral	209.00	141.00
radical, unilateral	332.00	224.00
Diagnostic Procedures		
Laryngoscopy, direct (I.P.)	51.00	35.00
Bronchoscopy, initial	71.00	48.00
Thoracoscopy, exploratory (I.P.)	87.00	59.00
Catheterization of the heart (I.P.)	92.00	62.00
Arteriography, thoracic (exclusive of x-ray allowance)	51.00	35.00
lumbar	51.00	35.00
Esophagoscopy, initial	71.00	48.00
Gastroscopy (I.P.), initial	71.00	48.00
Protoscopy (I.P.), initial	10.00	7.00
Sigmoidoscopy (I.P.), initial	15.00	10.00
Peritoneoscopy, initial	56.00	38.00
Cystoscopy, initial	31.00	21.00
Encephalography (I.P.)	66.00	45.00
Myelography (I.P.)	51.00	35.00
Discogram (I.P.)	$ 51.00	$ 35.00
Visualization of intracranial aneurysm by intracarotid injection of dye (I.P.), with exposure of carotid artery, unilateral	77.00	52.00
Ventriculography (I.P.)	92.00	62.00
Insufflation of uterus and fallopian tubes for determination of tubal patency (Rubin's test or injection of radiopaque contrast medium or for dilation)	26.00	17.00
DIAGNOSTIC X-RAYS		
Encephalography	45.00	45.00
Spine, lumbo-sacral, multiple views	22.50	22.50
Wrist	11.50	11.50
Hip, complete, multiple position	18.00	18.00
Ankle	11.50	11.50
Complete (barium meal and barium enema) including gall bladder study	76.50	76.50
Colon by barium enema	27.00	27.00
Pyelography, intravenous	31.50	30.00
PATHOLOGY EXAMINATIONS		
Electrocardiogram, with interpretation and report (first)	15.00	15.00
Blood		
Complete blood count	5.00	5.00
Cholesterol	5.00	5.00
Non-protein nitrogen	5.00	5.00
Sedimentation rate	3.00	3.00
Feces		
Routine chemical and microscopic, including parasites	10.00	10.00
Sputum		
Smear, direct	3.00	3.00
Tissues		
Frozen section (includes permanent section)	25.00	25.00

IN-HOSPITAL MEDICAL CARE (one visit per day)

HIGH OPTION: $18.00 first day, $12.00 second day, $6.00 per day thereafter.

LOW OPTION: $12.00 first day, $8.00 second day, $4.00 per day thereafter.

INTENSIVE MEDICAL CARE (High Option only)

$48.00 first day, $12.00 per day thereafter for thirteen days.

CONSULTATION SERVICES
(Other than radiological) (High Option only)

Limited to one consultation by any one consultant during any one hospital admission.

Consultation requiring limited examination of a given system; but not requiring complete diagnostic history and examination: $30.00.

Consultation requiring complete diagnostic history and examination: $48.00.

ANESTHESIA SERVICE	High Option	Low Option
Appendectomy	$ 36.00	$ 24.00
Tonsillectomy	18.00	12.00
Normal delivery of child or children	26.00	17.00
Cesarean section	46.00	31.00
PHYSICAL THERAPY		
Per treatment (one treatment per day while eligible for in-hospital medical visits)	6.00	4.00
RADIATION THERAPY		
X-ray therapy		
Teleradiotherapy: x-ray — 1000 KVP and higher radium, cobalt, betatron (per treatment visit)	15.00	15.00
x-ray — less than 1000 KVP, telecesium (per treatment visit)	10.00	10.00
Radioisotopes		
Fee includes cost of materials and treatment for twelve-month period		
Thyroid cancer	250.00	250.00

MULTIPLE SURGERY

When two or more operations are performed through the same opening or through different openings for the same or related conditions, payment is made for the major procedure only (all procedures performed through the same surgical opening or by the same surgical approach shall be considered to be a related condition).

When surgical care is for wholly distinct and unrelated conditions and surgical procedures are performed through separate surgical openings or by different surgical approaches, payment is made for the major procedure plus 50% of the minor procedure which carries the highest fee.

When surgical care is rendered in two or more steps or stages, payment for the entire care shall be limited to the amount set forth in the Schedule of Fees.

ORAL SURGERY (Allowance to be determined by Individual Consideration)

Covered Procedures — Excision of tumors and cysts of the jaws, cheeks, lips, tongue, roof and floor of the mouth, when such conditions require a pathological examination

Surgical procedures required to correct accidental injuries of the jaws, cheeks, lips, tongue, roof and floor of the mouth, when such injuries have occurred while the subscriber is covered under this Plan

Excision of exostoses of the jaws and hard palate

Excision of impacted teeth for hospitalized bed patients

Treatment of fractures of facial bones

External incision and drainage of cellulitis

Incision of accessory sinuses, salivary glands or ducts

Reduction of dislocations of, and excision of, the temporomandibular joints

NOTE: "I.P." means "independent procedure."
"I.C." means "individual consideration."

1-1-67 TO 1-1-68

STATISTICAL ANALYSIS OF

CLAIM DOLLARS & HOSPITAL UTILIZATION

BY CAUSE OF DISABILITY

DISABILITY	DIS. CODE	ADMITS	% OF TOTAL	HOSP. DAYS	% OF TOTAL	TOTAL PAID	% OF TOTAL
NON-SURGICAL NON-MATERNITY							
Tuberculosis	1	--	-- %	--	-- %	$ 739.42	-- %
Neoplasms, malignant	2	35	.9	488	2.2	33,141.73	1.4
Neoplasms, benign	3	46	1.2	179	.8	15,085.44	.7
Endocrine & Metabolic	4	42	1.1	317	1.4	42,439.54	1.8
Mental	5	100	2.7	2,020	9.3	240,859.81	10.4
Nervous & Sense	6	26	.7	156	.7	16,736.75	.7
Heart Disease	7	68	1.8	945	4.3	84,996.46	3.7
Circulatory	8	72	1.9	496	2.2	51,756.20	2.2
Pneumonia, Bronchitis,etc.	9	89	2.4	437	2.0	42,237.82	1.8
Respiratory	10	35	.9	279	1.3	40,653.49	1.8
Stomach, Duodenum	11	88	2.3	434	2.0	45,802.46	2.0
Gallbladder	12	22	.6	114	.5	10,937.93	.5
Digestive	13	35	.9	289	1.3	22,061.95	1.0
Genitourinary - male	14	118	3.1	466	2.1	53,583.31	2.3
Reproductive - female	15	72	1.9	272	1.2	29,943.52	1.3
Disease of bones	16	79	2.1	582	2.6	57,703.13	2.5
Injuries	17	120	3.2	666	3.0	93,603.44	4.1
All other NON-SURGICAL	18	671	17.7	3,539	16.2	322,451.29	14.1
SUB-TOTAL		1,718	45.4%	11,679	53.1%	$1,204,733.69	52.3%
SURGICAL NON-MATERNITY							
T & A	31	269	7.1%	395	1.8%	$ 61,513.13	2.7%
Thoracic	32	4	.1	11	--	3,070.70	.1
Mastectomy	33	2	.1	17	.1	1,888.89	.1
Hernia	34	62	1.6	326	1.5	35,945.51	1.5
Appendectomy	35	40	1.1	188	.8	22,407.15	1.0
Other Abdominal	36	7	.2	88	.4	6,564.35	.3
Hemorrhoidectomy	37	20	.5	158	.7	11,924.43	.5
Cholecystectomy	38	31	.8	300	1.4	31,842.15	1.4
Prostatectomy	39	1	--	13	.1	1,645.35	.1
Cystoscopy	40	59	1.6	294	1.3	33,732.24	1.5
D & C non-maternity	41	142	3.8	388	1.8	50,169.49	2.1
Hysterectomy	42	66	1.7	567	2.6	68,053.02	2.9
Fractures, Dislocations	43	81	2.1	797	3.6	75,713.59	3.3
Neoplasm, excision	44	109	2.9	562	2.6	80,148.48	3.5
All other SURGERY	45	408	10.8	2,913	13.2	451,440.97	19.5
SUB-TOTAL		1,301	34.4%	7,017	31.9%	$ 936,059.45	40.5%

STATISTICAL ANALYSIS OF

CLAIM DOLLARS & HOSPITAL UTILIZATION

BY CAUSE OF DISABILITY (Cont'd)

DISABILITY	DIS. CODE	ADMITS	% OF TOTAL	HOSP. DAYS	% OF TOTAL	TOTAL PAID	% OF TOTAL
MATERNITY							
Normal Delivery	61	669	17.7%	2,795	12.7%	$ 128,531.67	5.6%
Cesarian	62	41	1.1	353	1.6	24,199.85	1.1
Ectopic Pregnancy	63	1	--	2	--	416.60	--
Miscarriage	64	24	.6	62	.3	4,074.47	.2
Other Complications	65	8	.2	39	.2	2,249.02	.1
Other (false labor)	66	18	.5	59	.2	2,775.77	.1
SUB-TOTAL		761	20.1%	3,310	15.0%	$ 162,247.38	7.1%
TOTAL		3,780	99.9%	22,006	100.0%	$2,303,040.52	99.9%
MIS-CODED		5	.1%	8	-- %	$ 2,527.95	.1%
GRAND TOTAL		3,785	100.0%	22,014	100.0%	$2,305,568.47	100.0%

SEMI-PRIVATE ROOM RATES
WASHINGTON, D. C. METROPOLITAN AREA
(As of 19 January 1968)

Alexandria (Old)	$35.00
Alexandria (New)	$40.00
Arlington	$42.00-47.00
Cafritz	$46.00
Casualty	$37.00
Childrens	$55.00-57.00, Ward $48.00
Circle Terrace	$42.00
Columbia	$46.00
Doctors	$44.00
Fairfax	$44.00
Georgetown	$43.00-45.00
Hadley	$41.00-42.00
Holy Cross	$47.00
Jefferson Memorial	$44.00
Leland Memorial	$39.00
National O & R	$42.00
North Virginia	$43.00
Prince George	$41.00-39.00
Providence	$42.00-40.00
Sibley	$39.50
Suburban	$45.00
Washington Hospital Center	$42.50-44.00
Washington Sanitarium	$44.00

CURRENT PICTURE

CURRENT COSTS ~~(SELF & FAMILY)~~	Aetna		Blue Cross-Blue Shield		Assoc. Ben. Plan	
	Family	Self Only	Family	Self Only	Family	Self Only
Monthly						
Employee	$ 20.15	8.06	$ 20.58	8.113	$ 18.07	9.78
Government	8.88	3.47	8.88	3.47	8.88	3.47
Bi-Weekly						
Employee	$ 9.30	3.72	$ 9.50	3.89	$ 8.34	2.76
Government	4.10	1.68	4.10	1.68	4.10	1.68

BENEFITS

Hospital R & B	100% of first $1,000 each Cal. Yr. plus 80% of excess (Semi-Pvt only)	Full Coverage for up to 365 days per confinement (in member hospital) 80% thereafter (Semi-Pvt only)	Up to $40 per day for up to 90 days. 80% of charges in excess of $40 for semi-pvt. 80% of semi-pvt. cost after 90th day of confinement
Hospital Misc.	80%	Full Coverage-365 days (in member hospital)	Full Coverage for first 90 days of confinement. 80% thereafter.
Surgical	80%	Surgical Schedule Allowance plus 80% of charges in excess of allowance	Surgical Schedule Allowance plus 80% of charges in excess of allowance
* Maternity	No change of Benefits (Treated same as Illness or injury.)	Regular Basic Hospital and Surgical-Medical Benefits, but no Supplemental (Maj.Med) Benefit unless complications $112.00 Normal $ 77.00 Miscarriage $296.00 Cesarean	Up to $30/day for all hospital charges for up to 8 days. $100 for Normal Del. $150 for Cesarean $ 50 for Miscarriage and $ 20 for Anesthetist

* No benefits payable under single enrollment

ADDITIONAL MONTHLY COST TO IMPROVE BENEFITS

	Family	Single
To Increase Daily Hospital R & B Rate:		
From $40 to $50	$ 2.76	$ 1.06
From $40 to $45	1.51	.58
To Revise Surgical Schedule		
From 1957 Study to 1964 Study	.86	.28
To Increase Maternity Daily Hospital Allowance:		
From $30 to $40	.43	*
From $30 to $35	.21	*
To Increase Maternity Medical Allowance:		
From $100 to $200 for Normal Delivery From $150 to $400 for Cesarean Section From $ 50 to $100 for Miscarriage	.85	*
To Add Basic Benefit Allowance for In-Hospital Medical Care:		
For a benefit of $12.00 first day $ 8.00 second day $ 5.00 each subsequent day	$ 1.02	.43
or		
For a straight allowance of $5 per day	.83	.35

* No Maternity Benefits payable under Single Enrollment

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COST OF A SINGLE PROPOSAL

BENEFIT	MONTHLY COST Family	MONTHLY COST Single	BI-WEEKLY COST Family	BI-WEEKLY COST Single
$50 per day Room and Board Allowance	$ 2.76	$ 1.06	$ 1.27	$ .49
Improved Surgical Allowances	.86	.28	.40	.13
Improved Maternity Benefits -				
$40 per day for Hospital	.43	---	.20	---
plus Increased Medical Allowance	.85	---	.39	---
TOTAL INCREASE IN COST:	$ 4.90	$ 1.34	$ 2.26	$ .62
CURRENT COST:	18.07	5.98	8.34	2.76
TOTAL NEW COST:	$22.97	$ 7.32	$10.60	$ 3.38

CURRENT RATES (Hi Option)				
Blue Cross-Blue Shield:	$20.58	$ 8.43	$ 9.50	$ 3.89
Aetna :	20.15	8.06	9.30	3.72